Revision: HCFA-PM-95-1

March 1995

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State:	OKLAHOMA_	
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TRANSFER OF ASSETS

- The agency provides for the denial of certain Medicaid services by 1917(c) reason of disposal of assets for less than fair market value.
 - Institutionalized individuals may be denied certain Medicaid 1. services upon disposing of assets for less than fair market value on or after the look-back date.

The agency withholds payment to institutionalized individuals for the following services:

Payments based on a level of care in a nursing facility;

Payments based on a nursing facility level of care in a medical institution;

Home and community-based services under a 1915 waiver.

Non-institutionalized individuals:

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The agency applies these provisions to the following noninstitutionalized eligibility groups. These groups can be no more restrictive than those set forth in section 1905(a) of the Social Security Act:

The agency withholds payment to non-institutionalized individuals for the following services:

Home health services (section 1905(a)(7));

Home and community care for functionally disabled and elderly adults (section 1905(a)(22));

Personal care services furnished to individuals who are not inpatients in certain medical institutions, as recognized under agency law and specified in section 1905(a)(24).

The following other long-term care services for which assistance is otherwise under the agency plan: medical

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			TRANSF	ER OF ASSETS	5			
	3.	Penalty an unco	<u>Date</u> The beging mpensated trans	nning date of fer of asset	f each pena ts is:	alty period	imposed :	for
		<u> </u>	the first dateransferred;	y of the m	month in	which the	asset '	was
			the first day	of the month	following	the month o	f transf	er.
- •••	4. <u>Penalty Period - Institutionalized Individuals</u> — In determining the penalty for an institutionalized indagency uses:					<u>als</u> nalized indi	vidual,	the
		<u> </u>	the average me	onthly cost	to a priva	ate patient	of nurs	ing

Penalty Period - Non-institutionalized Individuals --5. The agency imposes a penalty period determined by using the same method as is used for an institutionalized individual, including the use of the average monthly cost of nursing facility services;

facility services in the agency Stab;

is institutionalized.

imposes a shorter penalty period than would be imposed for institutionalized individuals, as outlined below:

the average monthly cost to a private patient of nursing facility services in the community in which the individual

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			TRANSFER O	F ASSETS
	6.		period for amounts	of transfer less than cost of nursing
		a.		f the transfer is less than the monthly cility care, the agency:
			X does not impos	e a penalty;
				lty for less than a full month, based on of the agency's private nursing facility transferred.
		b.		l makes a series of transfers, each less nursing facility rate for a month, the
			does not impos	e a penalty;
			X imposes a seri	es of penalties, each for less than a
	7.	Transfer The age		alty periods would overlap
		<u>X</u>	totals the value of single penalty per	of all assets transferred to produce a iod;
			calculates the indisequentially.	ividual penalty periods and imposes them
	8.	Transfer The ager		alty periods would not overlap

assigns each transfer its own penalty period;

uses the method outlined below:

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State:

OKLAHOMA

TRANSFER OF ASSETS

- Penalty periods transfer by a spouse that results in a penalty period for the individual -
 - The agency apportions any existing penalty period between the spouses using the method outlined below, provided the spouse is eligible for Medicald. A penalty can be assessed against the apouse, and some portion of the penalty against the individual remains.

Penalty will be assessed as outlined in OAC 317:35-9-66 (4) (L) which states "when a transfer of assets by the spouse of an individual and the spouse who made such transfer subsequently becomes institutionalized, the period of ineligibility will be apportioned between the two institutionalized spouses."

- If one spouse is no longer subject to a penalty, the remaining ponalty period must be served by the remaining (b) apouse.
- Trestment of income as an asset-When Income has been transferred as a lump sum, the agency will 10. calculate the penalty period on the lump sum value.

The agency will impose partial month penalty periods.

When a stream of income or the right to a stream of income has been transferred, the agency will impose a penalty period for each income payment.

- For transfers of individual income payments, the agency will impose partial month panalty periods.
- <u>x</u> For transfers of the right to an income stream, the agency will use the actuarial value of all payments transferred.
- The agency uses an alternate method to calculate penalty periods, as described below:

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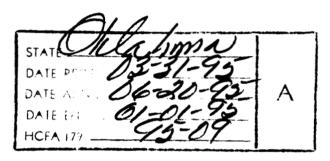
State: OKLAHOMA

TRANSFER OF ASSETS

11. Imposition of a penalty would work an undue hardship--The agency does not apply the transfer of assets provisions in any . case in which the agency determines that such an application would work an undue hardship. The agency will use the following procedures in making undue hardship determinations:

State Medicaid Manual Section 3258.10, Item 5, 3-3-109.22 will be followed, which references the following administrative requirements:

- Notice to recipients that an undue hardship exception exists;
- a timely process for determining whether an undue hardship waiver will be granted;
- a process under which an adverse determination can be appealed.



The following criteria will be used to determine whether the agency will not count assets transferred because the penalty would work an undue hardship:

Decisions for undue hardship are made by Program Specialist in Department of Human Services.

Aspects considered are:

- 1. Was asset ever in the control of the client?
- 2. Does action create actual undue hardship versus inconvenience (i.e., will client be denied food, clothing, shelter, etc.)?
- 3. Have avenues such as referral for Adult Protective Services (APS) been explored and/or can legal action be taken on APS referral?
- 4. Are there any other verifiable legal impediments to prevent return of Transfer of Assets?

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